

Agenda Date: 10/7/09 Agenda Item: IIID

## STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.nj.gov/bpu/

#### CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST OF	)	AUTOMATIC RENEWAL
MONMOUTH COUNTY, LLC FOR A RENEWAL	)	CERTIFICATE OF APPROVAL
CERTIFICATE OF APPROVAL TO CONTINUE TO	)	
CONSTRUCT, OPERATE AND MAINTAIN A CABLE	)	
TELEVISION SYSTEM IN AND FOR THE TOWNSHIP OF	)	
MIDDLETOWN, COUNTY OF MONMOUTH, STATE OF	)	
NEW JERSEY	)	DOCKET NO. CE09070533

Dennis C. Linken, Esq., Stryker, Tams and Dill, Newark, New Jersey for the Petitioner

Township Clerk, Township of Middletown, by Heidi Abs, for the Township

#### BY THE BOARD:

On August 3, 1979, the Board of Public Utilities ("Board") granted Monmouth Cablevision, Inc. a Certificate of Approval in Docket No. 797C-6468 for the construction, operation and maintenance of a cable television system in the Township of Middletown ("Township"). Through a series of transfers with required Board approvals, Storer Cable Communications of Monmouth County, Inc. d/b/a Storer Cable Communications ("Storer") became the holder of the Certificate. On September 12, 1990, the Board granted Storer a Renewal Certificate of Approval for the Township in Docket No. CE89080734. Through a series of additional transfers with required Board approvals, Comcast Cablevision of Monmouth County, Inc. ("Comcast Cablevision") became the holder of the Certificate. On May 15, 2000, the Board granted Comcast Cablevision a Renewal Certificate of Approval for the Township in Docket No. CE00020093. Based on a name change, the current holder of the Certificate is Comcast of Monmouth County, LLC ("Petitioner"). Although by its terms the Petitioner's above referenced Certificate expired on August 3, 2009, the Petitioner is authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

On July 16, 2009, the Petitioner filed with the Board for Automatic Renewal of its Certificate of Approval for the Township, pursuant to N.J.S.A. 48:5A-16, -19 and -25 and N.J.A.C. 14:17-6.9 and 14:18-13.6. The filing indicates that the Township had adopted an ordinance on December 20, 1999, granting renewal municipal consent for a term of ten years with automatic renewal for an additional term of five years.

The Board has reviewed the petition for an Automatic Renewal Certificate of Approval and the Application filed therein by the Petitioner. Based upon this review and the recommendation of the Office of Cable Television, the Board **HEREBY FINDS** the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval.
- The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
- The Petitioner has represented that all previously required construction within the franchise territory is complete.
- The franchise period as stated in the ordinance is five years. The Board finds this period to be of reasonable duration.
- 5. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain and file with the Board an informational schedule of prices, terms and conditions for unregulated service and promptly file any revisions thereto.
- 6. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Township. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
- The Petitioner shall maintain a local business office for the purpose of receiving, investigating and resolving complaints. Currently, the local business office serving this provision is located at 403 South Street, Eatontown, New Jersey.
- 8. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township, and shall be increased as required by N.J.S.A. 48:5A-30. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 9. The Petitioner shall provide service to any person's residence or business located in the primary service area as indicated on the map on file with the Office of Cable Television at no cost beyond standard and non-standard installation charges. For any extension outside of the primary service area, the Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate. The minimum homes per mile figure is 35.
- 10. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with the application filed with the petition for Renewal Certificate of Approval, the previous Renewal Certificate of Approval and the Township's ordinance. Specifically, the Petitioner shall continue to provide a dedicated municipal governmental and educational access channel for use by the Township and its designees for the purpose of cablecasting non-commercial governmental and/or educational access programming. The Petitioner shall

continue to maintain two dedicated fiber optic return lines originating at the Township's municipal building and one of the Township's high schools. The Petitioner shall continue to provide connectivity between the Township's two high schools for exclusive use of transporting educational access programming between the two for the governmental/educational access channel.

- 11. The Petitioner also maintains a system-wide public access channel and a system-wide municipal access channel for the purpose of cablecasting non-commercial access programming for individuals, groups and organizations from the municipalities that the Petitioner serves. In addition, the Petitioner's access coordinator is available to provide basic equipment training and shall be responsible for responding to comments or complaint with respect to the access channels' signal and for technical assistance at the Township's origination points. The Petitioner also maintains a system-wide educational access channel run by Brookdale Community College.
- 12. The Petitioner shall continue to provide, free of charge, the connection to the local area network ("LAN") and basic cable television programming to each qualified school currently existing or hereinafter built in the Township.
- 13. The Petitioner shall continue to provide one standard installation and monthly basic cable television service, free of charge, to each of the Township's libraries and every municipally-owned building, including but not limited to, municipal firehouses, first aid buildings and Town Hall but which shall not include municipally operated senior housing structures.
- 14. The Petitioner shall continue to provide free installation of one non-networked outlet of Internet service via high speed cable modem to each library and to each public and private school in the Township. The computer shall be for student or library patron use and shall not be used only for administrative purposes.
- 15. Upon written request of the Township, the Petitioner shall meet with the Township's cable television advisory committee, not more than semi-annually, to review all matters pertaining to the provision of cable television service to residents of the Township and other related matters.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u>, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of <u>N.J.S.A.</u> 48:5A-1 <u>et seq.</u>, that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Automatic Renewal Certificate of Approval as evidence of Petitioner's continued authority to construct and operate a cable television system within the entirety of the Township.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 C.F.R. §76.1 et seq., including but not limited to, the technical standards 47 C.F.R. §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire on August 3, 2014.

DATED: (0)8/09

BOARD OF PUBLIC UTILITIES

BY:

JEANNE M. FOX PRESIDENT

FREDERICK F. BUTLER

COMMISSIONER

COMMISSIONER

JOSEPH L. FIORDALISO

COMMISSIONER

QMMISSIONI

ATTEST:

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

# APPENDIX "I" OFFICE OF CABLE TELEVISION LINE EXTENSION POLICY

## COMCAST OF MONMOUTH COUNTY, LLC TOWNSHIP OF MIDDLETOWN

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

1.	# of homes in extension mileage of extension	=	homes per mile (HPM) of extension
2.	HPM of extension Minimum HPM that company actually constructs in the system *	=	ratio of the density of the extension to the minimum density which the company constructs in the system ("A")
3.	Total cost of building the extension times "A"	=	company's share of extension cost
4.	Total cost of building extension less company's share of extension cost	=	total amount to be recovered from subscribers
5.	Total amount to be recovered from subs Total subscribers in extension	= on	each subscriber's share

In any case, the company shall extend its plant along public rights of way to:

- All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
- All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

<sup>\*</sup> The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes that the company has historically constructed at its own cost. This is a function of the operator's break-even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

- Provide a written estimate within 30 days of such a request.
- Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
- Complete construction within six months of receipt of any deposit monies from potential subscribers.
- Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

- If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
- The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
- The company shall notify subscribers in the extension area of their rights and responsibilities concerning the extension.
- Once the share of extension costs have been paid for an individual dwelling unit, future reconnections or installations to that unit shall be made at the company's standard rates.
- After a period of five years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
- Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

#### Definitions

#### Primary Service Area

The Primary Service Area (PSA) can be an entire municipality, but in many instances the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

## Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.

#### SERVICE LIST

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